

MAIL CONTRACTS TO FOREIGN COUNTRIES.

LETTER

FROM

THE POSTMASTER GENERAL,

COMMUNICATING

Copies of contracts for the transportation of the United States mail to foreign countries.

DECEMBER 15, 1858.—Referred to the Committee on the Post Office and Post Roads and ordered to be printed.

POST OFFICE DEPARTMENT,
Washington, December 14, 1858.

SIR: I have the honor to transmit herewith, in compliance with the requirements of the 1st section of the act of March 3, 1845, copies of the following contracts entered into with this department for the transportation of the United States mail to foreign countries, viz:

1. A contract with the New York and New Orleans Steamship Company (R. C. Crocheron, president,) for the transportation of the mail, in American steamships, from New York to Havana, (Cuba,) and from New Orleans to Havana, (Cuba,) and back, twenty-two round trips per annum, at the United States postage (sea and inland,) on the West India mails conveyed; the contract term commencing July 1, 1858, and ending June 30, 1860.

2. A contract with the Louisiana Tehuantepec Company (Emile La Sere, president,) for transporting the mail from New Orleans by Minatitlan, Suchil, Ventosa and Acapulco, to San Francisco, California and back, semi-monthly, in safe and substantial steamers between New Orleans and Minatitlan, in safe and substantial river steamers between Minatitlan and Suchil, and in post-coaches or good covered spring-wagons between Suchil and the Pacific; residue in steamers; at \$286,000 per annum, or \$250,000 per annum if mails are exchanged at or near Ventosa with the line of United States mail steamers between Panama and San Francisco; for and during the term commencing in the month of October, 1858, and ending September

30, 1859. The service commenced at New Orleans on the 27th of October, 1858, the mails to be exchanged at Ventosa with the Pacific mail steamers, so that the mail compensation is \$250,000 per annum.

3. An extension of the Pacific Mail Steamship Company's contract of 13th of March, 1851, for semi-monthly service, in steamships, between Astoria, San Francisco and Panama, at same rate of compensation (viz: \$348,250 per annum,) from the 1st of October, 1858, to the 1st of October, 1859, the date of expiration of the mail steamship contract on the Atlantic side of the Isthmus of Panama; with the further stipulation to carry, without additional compensation, between the anchorage of Ventosa, or other Pacific port of terminus of the Tehuantepec route, and San Francisco, all mails regularly transported over said route to and from New Orleans, in pursuance of the contract executed on the 8th of June, 1858, with the Louisiana Tehuantepec Company.

I annex herewith a tabular statement of the amount of United States postage on the West India mails transported by the steamers of the New York and New Orleans Steamship Company, between New York and Havana, and New Orleans and Havana, up to the 5th of December instant.

I have also to report that as the mail service performed by the steamers of the Pacific Mail Steamship Company between Panama, San Francisco, and Astoria, forms a part only of a continuous route from the Atlantic States to California and Oregon, via the Isthmus of Panama, the department has no means of ascertaining the exact proportion of the postages earned by the Pacific mail steamers. The entire amount of postage derived from the mails conveyed by the New York and California steamship lines, via the Isthmus of Panama, is, however, regularly reported to Congress in the annual reports of the Postmaster General.

I have further to add that as the mail service between New Orleans and San Francisco, by way of the Isthmus of Tehuantepec, has just gone into operation, the department is unable to furnish any statement at this time of the amount of postage upon the mails transported over that route.

I have the honor to be, sir, very respectfully, your obedient servant,

AARON V. BROWN.

Hon. JAMES L. ORR,

Speaker of the House of Representatives.

This article of contract, made the thirteenth day of July, in the year one thousand eight hundred and fifty-eight, between the United States (acting in this behalf by their Postmaster General) and the New York and New Orleans Steamship Company by R. C. Crocheron, its president, and R. C. Crocheron and E. Lockwood as sureties:

Witnesseth, That, whereas the said the New York and New Orleans Steamship Company has been accepted according to law as contractor for transporting the mail in American steamships from New York to Havana (Cuba) and from New Orleans to Havana (Cuba) two trips a

month (except in July) from each of the said ports to Havana and back, making twenty-two round trips per annum from New York, and the same number from New Orleans, under the provisions of the 4th section of the act of June 14, 1858, entitled "An act making appropriations for the transportation of the United States mail by ocean steamers and otherwise, during the fiscal year ending the thirtieth day of June eighteen hundred and fifty-nine," at the United States postage (sea and inland) on the West India mails, for and during the term commencing the first day of July, in the year one thousand eight hundred and fifty-eight, and ending with the thirtieth of June in the year one thousand eight hundred and sixty.

Now therefore the said the New York and New Orleans Steamship Company contractors, and R. C. Crocheron and Elihu Lockwood as sureties, do jointly and severally undertake, covenant and agree with the United States, and do bind themselves :

1st. To carry the mails between New York and Havana and between New Orleans and Havana, twenty-two round trips per annum, in American steamships, within the times fixed in the annexed schedule of departures and arrivals, and so carry until said schedule is altered by the authority of the Postmaster General of the United States as hereinafter provided, and then to carry according to said altered schedule.

2d. To carry said mail in a safe and secure manner free from wet or other injury in a separate apartment in each ship, to be suitably fitted up under order of the department, if the Postmaster General shall require one, for the exclusive accommodation of the mail.

3d. To take the mail and every part of it from, and deliver it and every part of it into the post offices at New York, New Orleans and Havana as the case may be. They also undertake, covenant and agree with the United States, and do bind themselves jointly and severally as aforesaid, to be answerable for the person to whom the said contractors shall commit the care and transportation of the mail, and accountable to the United States for any damages which may be sustained by the United States through his unfaithfulness or want of care ; and that the said contractors will discharge any carrier of said mail whenever required to do so by the Postmaster General ; also, that they will not transmit by themselves or their agent, or be concerned in transmitting commercial intelligence more rapidly than by mail, and that they will not carry out of the mail letters or newspapers which should go by post ; and that they will not knowingly convey any person carrying on the business of transporting letters or other mail matter without the consent of the department ; and further that the said contractors will convey without additional charge, free or franked matter not subject to postage, post office blanks, mail bags, and the special agents of the department on the exhibition of their credentials.

For which services when performed, the said The New York and New Orleans Steamship Company contractors are to receive as full compensation therefor, the gross amount of United States postage, sea and inland, on the United States and West India mails transported

to and from Havana, to be paid quarterly, through the postmasters on the route or otherwise at the option of the Postmaster General of the United States; said pay to be subject, however, to be reduced or discontinued by the Postmaster General as hereinafter stipulated, or to be suspended in case of delinquency.

It is hereby stipulated and agreed by the said contractors and their sureties that the Postmaster General may change the schedule whenever, in his opinion, the public interests may require a change.

It is hereby also stipulated and agreed by the said contractors and their sureties that in all cases there is to be a forfeiture of the sum of one hundred dollars when the trip is not run and no sufficient excuse for the failure is furnished, and a forfeiture of not more than fifty dollars when the running is not in accordance with the schedule, unless it is shown that the same was not caused by neglect, or want of proper skill, or misconduct, and that these forfeitures may be increased into penalties of a higher amount, according to the nature or frequency of the failure and the importance of the mail; also that fines may be imposed upon the contractors, unless the delinquency be satisfactorily explained to the Postmaster General in due time, for failing to take from or deliver at a post-office the mail, or any part of it; for suffering it to be wet, injured, lost, or destroyed; for carrying it in a place or manner that exposes it to depredation, loss or injury by being wet or otherwise; for refusing after demand to convey a mail by any steamship or steamships which the contractors run or are concerned in running on the route, beyond the number of trips above specified; or for not arriving at the time set in the schedule, unless not caused by neglect, or want of proper skill, or by misconduct. And for setting up or running an express to transmit letters or commercial intelligence in advance of the mail, or for transporting knowingly, or after being informed, any one engaged in transporting letters or mail matter in violation of the laws of the United States, a penalty of fifty dollars may be exacted for each offence and for each article so carried.

And it is hereby further stipulated and agreed by the said contractors and their sureties, that the Postmaster General may annul the contract for repeated failures; for violating the post-office laws; for disobeying the instructions of the department; for refusing to discharge a carrier or any other person having charge of the mail by his direction, when required by the department; for assigning the contract without the consent of the Postmaster General; for setting or running an express as aforesaid; or for transporting persons conveying mail matter out of the mail as aforesaid; and this contract shall in all its parts be subject to the terms and requisitions of an act of Congress passed on the twenty-first day of April, in the year of our Lord one thousand eight hundred and eight, entitled "An act concerning public contracts," and may at any time be terminated by a joint resolution of the two houses of Congress.

In witness whereof the said Postmaster General has caused the seal of the Post-Office Department to be hereto affixed, and has attested the same by his signature, and the said contractors and their

sureties have hereunto set their hands and seals the day and year set opposite their names respectively.

AARON V. BROWN. [SEAL]
 R. C. CROCHERON, *President*. [SEAL]
 R. C. CROCHERON,
 E. LOCKWOOD.

Signed, sealed and delivered by the Postmaster General in the presence of—

HORATIO KING.

And by the other parties hereto in the presence of—

H. W. WHITING.

July 13, 1858.

I hereby certify that I am well acquainted with R. C. Crocheron and Elihu Lockwood, and the condition of their property, and that after full investigation and inquiry, I am well satisfied that they are good and sufficient sureties for the amount in the foregoing contract.

ISAAC V. FOWLER,
Postmaster at New York, U. S.

Schedule days of sailing.

From New York for Havana.	From Havana for New York.	From New Orleans for Havana.	From Havana for New Orleans.
August 12.....	August 15.....	August 12.....	August 18.....
August 27.....	August 30.....	August 27.....	September 2.....
September 12.....	September 15.....	September 12.....	September 18.....
September 27.....	September 30.....	September 27.....	October 3.....
October 12.....	October 15.....	October 12.....	October 18.....
October 27.....	October 30.....	October 27.....	November 2.....
November 12.....	November 15.....	November 12.....	November 18.....
November 27.....	November 30.....	November 27.....	December 3.....
December 12.....	December 15.....	December 12.....	December 18.....
December 27.....	December 30.....	December 27.....	January 3.....
January 12.....	January 15.....	January 12.....	January 18.....
January 27.....	January 30.....	January 27.....	February 3.....
February 12.....	February 15.....	February 12.....	February 18.....
February 27.....	March 2.....	February 27.....	March 5.....
March 12.....	March 15.....	March 12.....	March 18.....
March 27.....	March 30.....	March 27.....	April 2.....
April 12.....	April 15.....	April 12.....	April 18.....
April 27.....	April 30.....	April 27.....	May 3.....
May 12.....	May 15.....	May 12.....	May 18.....
May 27.....	May 30.....	May 27.....	June 2.....
June 12.....	June 15.....	June 12.....	June 18.....
June 27.....	June 30.....	June 27.....	July 3.....

No. 8162.—\$286,000 *per annum* San Francisco, or \$250,000 *per annum* to Ventosa.

This article of contract made the eighth day of June in the year one thousand eight hundred and fifty-eight, between the United States (acting in this behalf by their Postmaster General) and the Louisiana Tehuantepec Company (Emile La Sere, President):

Witnesseth, that whereas the Louisiana Tehuantepec Company have been accepted according to law as contractors for transporting the mail on route No. 8162, from New Orleans by Minatitlan, Suchil, Ventosa, and Acapulco to San Francisco, California, and back, twice a month, in safe and substantial steamers between New Orleans and Minatitlan; in safe and substantial river steamers between Minatitlan and Suchil; and in post coaches or good covered spring wagons between Suchil and the Pacific; residue in steamers; the pay to be at the rate of two hundred and eighty-six thousand dollars (\$286,000) per annum, with the understanding that the mails may be exchanged with the line between Panama and San Francisco, at or near Acapulco, without change of pay; and with the further understanding that the mails may be exchanged with the aforesaid line at Ventosa or other port within a short distance of that place, at the annual compensation of two hundred and fifty thousand dollars (\$250,000) for and during the term commencing at any time between the first day of October and the first of November in the year one thousand eight hundred and fifty-eight, and ending with the thirtieth day of September, in the year one thousand eight hundred and fifty-nine: Now, therefore, the said Louisiana Tehuantepec Company, contractors, and Arnold Harris, J. P. Benjamin, Thomas G. Davidson, and Emile La Sere as sureties do jointly and severally undertake, covenant and agree with the United States, and do bind themselves:

1. To carry said mail within the times fixed in the annexed schedule of departures and arrivals, and so carry until said schedule is altered by the authority of the Postmaster General of the United States as hereinafter provided, and then to carry according to said altered schedule.

2. To carry said mail in a safe and secure manner, free from wet or other injury, in steamers and post coaches or good covered spring wagons, and in a separate and convenient apartment of each steamer, to be suitably fitted up under order of the department at the expense of the contractors for the assorting and safekeeping of the mail, and for the sole and exclusive occupation, use and accommodation of the Post office Department and its mail agent, if the Postmaster General shall require it for the use and accommodation of the mail and mail agent, and such mail agent is to be conveyed without further charge.

3. To take the mail and every part of it from, and deliver it and every part of it into each post office on the route, or that may hereafter be established on the route, and into the post office at each end of the route, and to the mail carriers on connecting routes.

They also undertake, covenant and agree with the United States, and do bind themselves jointly and severally as aforesaid to be answerable for the person to whom the said contractors shall commit the care and transportation of the mail, and accountable to the United States for any damages which may be sustained by the United States through his unfaithfulness or want of care; and that the said contractors will discharge any carrier of said mail whenever required to do so by the Postmaster General; also, that they will not transmit by themselves or their agent, or be concerned in transmitting commercial

intelligence more rapidly than by mail, and that they will not carry out of the mail letters or newspapers which should go by post, and that they will not knowingly, convey any person carrying on the business of transporting letters or other mail matter without the consent of the department; and further, that the said contractors will convey without additional charge, post office blanks, mail bags, and the special agents of the department, on the exhibition of their credentials.

They further undertake, covenant and agree with the United States, that the said contractors will collect quarterly, if required by the Postmaster General, of postmasters on said route, the balances due from them to the General Post Office, and faithfully render an account thereof to the Postmaster General in the settlement of quarterly accounts, and will pay over to the General Post Office all balances remaining in their hands.

For which services when performed, the said Louisiana Tehuantepec Company, contractors, are to be paid by the said United States the sum of two hundred and eighty-six thousand dollars for service to San Francisco or Acapulco, or two hundred and fifty thousand dollars a year to Ventosa, to wit: quarterly, in the months of May, August, November, and February, through the postmasters on the route, or otherwise, at the option of the Postmaster General of the United States; said pay to be subject, however, to be reduced or discontinued by the Postmaster General as hereinafter stipulated, or to be suspended in case of delinquency.

It is hereby stipulated and agreed by the said contractors and their sureties, that the Postmaster General may increase the service or change the schedule, he allowing a *pro rata* increase of compensation within the restrictions imposed by law for the additional service required; but the contractors may, in case of increased service or change of schedule, relinquish the contract, on timely notice, if they prefer it to the change; also, that the Postmaster General may curtail or discontinue the service in whole or in part, he allowing one month's extra pay on the amount dispensed with.

It is hereby also stipulated and agreed by the said contractors and their sureties that in all cases there is to be a forfeiture of the pay of a trip when the trip is not run, and a forfeiture of a due proportion of it when a grade of service is rendered inferior to the mode of conveyance above stipulated; and that these forfeitures may be increased into penalties of a higher amount, according to the nature or frequency of the failure and the importance of the mail; also that fines may be imposed upon the contractors, unless the delinquency be satisfactorily explained to the Postmaster General in due time, for failing to take from or deliver at a post office the mail, or any part of it; for suffering it to be wet, injured, lost, or destroyed; for carrying it in a place or manner that exposes it to depredation, loss, or injury, by being wet or otherwise; for refusing, after demand, to convey a mail by any steamer, post coach, or wagon which the contractors run, or are concerned in running, on the route, beyond the number of trips above specified; or for not arriving at the time set in the schedule. And for setting up or running an express to transmit letters or com-

mercial intelligence in advance of the mail, or for transporting knowingly, or after being informed, any one engaged in transporting letters or mail matter in violation of the laws of the United States, a penalty of fifty dollars may be exacted for each offence, and for each article so carried. And no fines or forfeitures shall be remitted for failures arising from a want of a suitable road, or for obstacles presented by the insufficiency of the river navigation, or of the bays at either terminus of the route.

It is hereby further stipulated and agreed by the said contractors and their sureties that the Postmaster General may annul the contract for repeated failures; for violating the Post Office laws; for disobeying the instructions of the department; for refusing to discharge a carrier or any other person having charge of the mail by their direction, when required by the department; for assigning the contract without the consent of the Postmaster General; for setting up or running an express as aforesaid; or for transporting persons conveying mail matter out of the mail as aforesaid; or whenever the contractors, or either of them, shall become a postmaster, assistant postmaster, or member of Congress; and this contract shall in all its parts be subject to the terms and requisitions of an act of Congress passed on the twenty-first day of April, in the year of our Lord one thousand eight hundred and eight, entitled "An act concerning public contracts."

And it is also hereby further stipulated and agreed that this contract is made contingent upon the continuance of mail service on the Pacific in connection with the Panama or other transit route and San Francisco, and that if no contract or agreement for such service is concluded, then this contract shall in all respects be null and void.

In witness whereof the said Postmaster General has caused the seal of the Post Office Department to be hereto affixed, and has attested the same by his signature, and the said contractors and their sureties have hereunto set their hands and seals, the day and year set opposite their names respectively.

Signed, sealed and delivered by the Postmaster General in the presence of:

WILLIAM H. DUNDAS.

AARON V. BROWN. [SEAL]

And by the other parties hereto, in the presence of—

JAS. M. MILLER.

EMILE LA SERE, [SEAL]

President Louisiana Tehuantepec Company.

JUNE 8, 1858.

J. P. BENJAMIN. [L. S.]

JUNE 8, 1858.

THOMAS GREEN DAVIDSON. [L. S.]

JUNE 8, 1858.

ARNOLD HARRIS. [L. S.]

JUNE 8, 1858.

EMILE LA SERE. [L. S.]

JUNE 8, 1858.

I hereby certify that I am well acquainted with J. P. Benjamin and Thomas Green Davidson, Arnold Harris and Emile La Sere and the condition of their property, and that after full investigation and inquiry I am well satisfied that they are good and sufficient sureties for the amount in the foregoing contract.

WM. JONES, *Postmaster*.

WASHINGTON, D. C.

It is hereby mutually agreed between the United States of America, acting in this behalf by their Secretary of the Navy and Postmaster General, of the one part, and the Pacific Mail Steamship Company, acting by their President, of the other part, that the contract between the United States and said company, a copy of which is hereto annexed bearing date March 13, 1851, shall be and is hereby extended in every particular until the first of October, 1859; with this understanding, however:

Whereas it has been represented to the Post Office Department that the transit over the Isthmus of Tehuantepec, including the harbors at the termini, will be within the month of October, 1858, practicable for the prompt, regular, and secure transportation of the mails; and whereas the Post Office Department did, in pursuance thereof, on the 8th day of June, 1858, contract with the Louisiana Tehuantepec Company for the transportation of the mails between New Orleans and Ventosa, or other Pacific terminus of the Tehuantepec transit:

Now therefore, it is hereby mutually agreed, in order to perfect said Tehuantepec service by providing a connexion on the Pacific Ocean, as follows:

The Pacific Mail Steamship Company shall carry, without additional compensation, between the anchorage of Ventosa or other port of terminus on the Pacific and San Francisco, the mails which shall be regularly transported between New Orleans and such Pacific terminus in pursuance of the aforesaid contract, said mails to be carried by the Pacific mail steamers on their regular trips between Panama and San Francisco as now arranged; it being understood however, that the Pacific Mail Steamship Company shall be at liberty to run a small steamer between Acapulco and Ventosa, and form when practicable a regular connection at Acapulco with the mail steamers between Panama and San Francisco; and that to this end the schedule of the Tehuantepec service shall be arranged to conform to the schedule of the Pacific mail steamers.

And it is also further agreed, that if required by the Secretary of the Navy and the Postmaster General, the said Pacific Mail Steamship Company will at any time execute a contract in regular form, embracing all the stipulations in the original contract of 13th March, 1851, together with the additional provisions herein agreed upon with reference to the mails to be transported across the Isthmus of Tehuantepec.

In witness whereof the parties have hereunto set their hands and

affixed their seals the sixteenth day of June, in the year of our Lord one thousand eight hundred and fifty-eight.

ISAAC TOUCEY, [SEAL.]
Secretary of the Navy.

Witness to above signature:
 CHARLES W. WELSH.

AARON V. BROWN, [SEAL.]
Postmaster General.

Witness to signature next above:
 HORATIO KING.

THE PACIFIC MAIL STEAMSHIP COMPANY, [SEAL.]
 By WM. H. DAVIDGE,
President.

Attest:

FREDERICK HOFFMAN,
Secretary.

Whereas in the act of Congress making appropriations for the naval service of the United States, approved by the President on the 3d of March, 1851, it is provided, "That the Secretary of the Navy and the Postmaster General be authorized, by and with the consent of the contracting parties respectively, to rearrange the running of the United States Mail Steamships, so as to afford more direct despatch between the ports of the United States and the Isthmus of Panama: *Provided*, that the Postmaster General shall maintain a semi-monthly mail between Charleston, Savannah, and Havana, during the continuance of the Sloo contract; and also to make the service from Panama to California and Oregon conform with the service required by the existing contract on the Atlantic side of the Isthmus, by increasing the trips of the Pacific line to semi-monthly: *Provided*, that the said increased service on the Pacific side shall be at a rate not exceeding seventy-five per cent. upon the amount now paid for Pacific service, and to be performed in steamships built according to the specifications and subject to all the clauses of the A. Harris contract beneficial to the United States. And the Postmaster General is hereby authorized to include in this arrangement such a provision for the transportation of the letter mails only in the steamships of the said contractors, running between New York and Chagres, and as, in his opinion, the public service may demand, not exceeding in the whole the amount herein limited: *Provided*, that whenever a better route between the Atlantic and Pacific oceans is established, the Secretary of the Navy and the Postmaster General are authorized to agree with the present contractors for the Pacific line to change the terminus of the additional semi-monthly service hereby authorized, so as to secure the advantage of increased despatch and economy; and in case the reduction of compensation for the change of service be not agreed on between the parties, the same shall be referred to Congress."

Now therefore, in pursuance of said law, it is hereby agreed between the United States of America, acting in this behalf by their Secretary of the Navy and their Postmaster General, of the one

part, and the Pacific Mail Steamship Company, acting in this behalf by William H. Aspinwall, their president, assignee of the A. Harris contract, of the other part:

1st. That the said company shall, within one year from this date, increase the said Pacific line to six ocean steamships, four of which shall severally be of not less than one thousand tons burden, and the other two of not less than six hundred tons burden each, and all of which shall in all respects conform to the requisitions of said contract, and employ them when said line shall be so increased in transporting the United States and foreign mails from Panama to San Diego, Monterey, San Francisco, and Astoria in Oregon, touching, if practicable, at Scottsville near the mouth of the Umpqua river, and at such other intermediate ports on the coast of Oregon or California as, in the opinion of the Postmaster General, the public interest may require.

2d. That the ships thus provided and in service shall perform a regular semi-monthly service, or delivery of mails, at each of the ports aforesaid, leaving Panama and Astoria twice each month, at such time as may be from time to time prescribed by the said Secretary of the Navy and Postmaster General, and making the said trips from Panama to Oregon, and from Oregon to Panama, in not more than twenty-five days from port to port, stopping and delivering mails at and into the post offices at all the intermediate ports above mentioned, into the post office at the northern terminus of the route, and to such other contract office or agent at Panama as the Post Office Department shall direct.

3d. That for the increased service thus rendered beyond the stipulation of the original contract with the said Harris, the said company shall be paid by the said Secretary of the Navy the sum of one hundred and forty-nine thousand two hundred and fifty dollars (\$149,250) per annum, payable quarterly at the expiration of each quarter, on the last days of March, September, and December, beginning on the commencement of such service after such line is increased as aforesaid, and ending on the last day of September, 1858, being the termination of said A. Harris contract.

4th. That the Postmaster General shall have the right of sending any letter mails by any of the ships the said company may run between New York and Chagres at any time during the period aforesaid, without any additional charge to the government.

5th. And it is hereby further agreed that the said company shall receive on board each ship, and suitably accommodate, without charge to the United States government, an agent to be appointed by the Postmaster General, who shall have charge of the mails to be transported therein, whenever the Postmaster General shall so direct; and that safe and convenient apartments on board said ships shall be provided for said mails and agent by the said company. And further, that the said company will convey without additional charge, post office blanks, mail bags, mail locks and keys, and also the special agents of the Post Office Department on the exhibition of their credentials from the Postmaster General.

6th. It is hereby further stipulated and agreed by the said com-

pany that the Postmaster General may from time to time make any reasonable change in the schedule of running, or times of arrivals and departures; and may also from time to time, increase the service, he allowing an increase of compensation within the restrictions imposed by law for the additional service required.

7th. It is hereby also stipulated and agreed by the said company that in all cases there is to be a forfeiture or deduction of the pay of a trip when the trip is not run; a forfeiture or deduction of at least one-fourth part of it when the running is so far behind time as to lose connexion with a depending mail, unless not caused by neglect or want of proper skill or misconduct; and a forfeiture or deduction of a due proportion of it when a grade of service is rendered inferior to the mode of conveyance above stipulated; and that these forfeitures may be increased into penalties of higher amount according to the nature or frequency of the failure, and the importance of the mail, also that fines may be imposed upon the company unless the delinquency be satisfactorily explained to the Postmaster General in due time, for failing to take from or deliver the mails into the post offices at Panama, Astoria, and the intermediate ports above mentioned; for suffering it to be wet, injured, lost or destroyed while on board of their steamships; for carrying it in a place or manner that exposes it to depredation, loss or injury by being wet or otherwise; for refusing, after demand and tender of proper compensation not exceeding a due proportion of the pay, to convey a mail by any steamship which the company runs, or is concerned in running on the route, beyond the number of trips above specified; or for not arriving at the time set in the schedule, unless not caused by neglect or want of proper skill, or by misconduct. And for setting up or running an express to transmit letters or commercial intelligence in advance of the mail, or for transporting, knowingly, or after being informed by the department or its agents, any one who shall transport, or be engaged in transporting letters or mail matter in violation of the laws of the United States, a penalty of five hundred dollars may be exacted for each offence and for each article so carried. And it is also understood and agreed that no payment is to be made under this contract at any time before Congress shall have made the appropriation necessary for that purpose; but payment shall be made according to such appropriation.

8th. The parties hereto reserve the adjustment for the terms of the service on a better route between the two oceans until such a route is established and the extent of the change can be ascertained. And it is further expressly stipulated and agreed, that no member of Congress shall be admitted to any share or part of this contract or agreement, or to any benefit to arise therefrom, except as a stockholder in said company, and according to the provisions of the second section of an act of Congress passed April 21, 1808, entitled "An act concerning public contracts."

In testimony of all which agreements and stipulations, the said United States have caused this contract to be executed in their behalf by their said Secretary of the Navy and Postmaster General,

and the said the Pacific Mail Steamship Company have hereunto affixed their corporate seal, and caused the same to be attested by the signature of their president, this thirteenth day of March, anno Domini one thousand eight hundred and fifty-one.

WILL'M A. GRAHAM, [SEAL.]

Secretary of the Navy.

N. K. HALL, [SEAL.]

Postmaster General.

WM. H. ASPINWALL, [SEAL.]

President.

Signed, sealed, and delivered in the presence of—

JOHN ETHERIDGE, as to Will'm A. Graham, Secretary of the Navy.

S. M. CATLIN, as to signature of Wm. H. Aspinwall, President, &c.

Statement of United States postage (sea and inland) on the West India mails transported by the New York and New Orleans Steamship Company, (R. C. Crocheron, president,) between New York, New Orleans, and Havana, from August 13, 1858, to December 5, 1858, inclusive.

Steamers.	From New York for Havana.		At New Orleans from Havana.		From New Orleans for Havana.		At New York from Havana.		Total postage for the round trip.
	Date of departure.	Amount of postage.	Date of arrival.	Amount of postage.	Date of departure.	Amount of postage.	Date of arrival.	Amount of postage.	
	1858.		1858.		1858.		1858.		
Cahawba	August 13	\$446 56	August 21	\$98 10	August 27	\$47 12	Sept'r 4	\$427 60	\$1,019 38
Black Warrior	August 27	437 16	Sept'r 6	60 98	Sept'r 12	47 27	Sept'r 20	353 44	898 85
Cahawba	Sept'r 13	478 04	Sept'r 23	81 71	Sept'r 26	51 84	October 4	319 26	930 85
Black Warrior	Sept'r 27	387 96	October 7	47 70	October 12	46 70	October 21	321 86	804 22
Cahawba	October 12	256 86	October 21	37 80	October 27	40 40	Nov'r 4	274 14	609 20
Black Warrior	October 27	555 96	Nov'r 6	47 30	Nov'r 12	39 40	Nov'r 20	401 18	1,043 84
Cahawba	Nov'r 12	512 86	Nov'r 22	45 80	Nov'r 27	47 20	Dec'r 5	437 64	1,043 50
Black Warrior	Nov'r 27	526 12							526 12
Total postages up to	December 5,	1858, inclusive							6,875 96

